

111TH CONGRESS
2D SESSION

H. R. 5445

To establish a program for providing loan guarantees and interest rate subsidies for successful companies to establish and implement long-term United States growth plans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 27, 2010

Mr. PERLMUTTER (for himself and Mr. COFFMAN of Colorado) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To establish a program for providing loan guarantees and interest rate subsidies for successful companies to establish and implement long-term United States growth plans, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Incentives for Success-
5 ful Small Businesses Act of 2010”.

1 **SEC. 2. TREASURY LOAN GUARANTEES AND INTEREST**
2 **RATE SUBSIDIES.**

3 (a) DEFINITIONS.—For purposes of this section, the
4 following definitions shall apply:

5 (1) SECRETARY.—The term “Secretary” means
6 the Secretary of the Treasury.

7 (2) SUCCESSFUL SMALL BUSINESS.—The term
8 “successful small business” means any United
9 States company or enterprise which the Secretary
10 determines—

11 (A) maintains a long-term United States
12 growth plan that meets the criteria established
13 by the Secretary under this section;

14 (B) as of the time of the determination, is
15 experiencing financial performance and achiev-
16 ing a balance sheet would have qualified such
17 company or enterprise for a certain level of loan
18 from primary lending sources of such company
19 or enterprise as of June 1, 2008, on the basis
20 of credit and underwriting criteria in effect on
21 such date, but cannot get access to loans from
22 such lending sources as of the date of such de-
23 termination because of current tighter credit
24 and underwriting criteria; and

1 (C) in the most recent calendar year had
2 an average of not fewer than 5 employees and
3 not more than 500 employees.

4 (b) ESTABLISHMENT OF CRITERIA AND PROCE-
5 DURES; REGULATIONS.—The Secretary shall—

6 (1) establish criteria for the establishment and
7 maintenance of a long-term United States growth
8 plan for any company or enterprise seeking incen-
9 tives under this Act, including any applicable compo-
10 nents of such plan, such as capital development,
11 marketing and distribution within the United States,
12 and expanded employment of United States workers;

13 (2) establish criteria for United States expan-
14 sion plans of successful small businesses that would
15 qualify such companies for any incentives under this
16 Act;

17 (3) establish procedures for carrying out the
18 parameters and components of the loan guarantee
19 and interest rate subsidy programs under this sec-
20 tion, a manner for allocating available amounts
21 among qualified recipients, and the procedures for
22 carrying out such programs;

23 (4) establish procedures and forms for applying
24 for loan guarantees and interest rate subsidies under
25 this section;

1 (5) establish an information program to rapidly
2 disseminate information about the programs and
3 such procedures to all companies and enterprises
4 who may qualify for any such program and to the
5 general public; and

6 (6) take such other action and prescribe such
7 regulations as the Secretary determines are appro-
8 priate to carry out this section.

9 (c) LOAN GUARANTEE PROGRAM.—The Secretary
10 shall establish and maintain a program to provide loan
11 guarantees, of not more than 80 percent of the amount
12 of the principal of the loan to which the guarantee applies,
13 to banks and other lenders that will allow such banks and
14 lenders to provide loans at the lowest collateralized rate
15 available to any successful small business for the purpose
16 of facilitating the company's United States expansion
17 plans.

18 (d) INTEREST RATE SUBSIDY PROGRAM.—The Sec-
19 retary shall establish an interest rate subsidy program
20 under which the Secretary would pay 1 percentage point
21 of interest on any loan made by any bank or other lender
22 to any successful small business for the purpose of facili-
23 tating the company's United States expansion plans to the
24 extent the annual percentage rate on the loan does not
25 exceed the lowest collateralized rate available from the

1 bank or lender to any successful small business, minus the
2 rate paid by the Secretary.

3 (e) COORDINATION.—The Secretary—

4 (1) shall consult with the Administrator of the
5 Small Business Administration in establishing the
6 programs under subsections (c) and (d); and

7 (2) may make such arrangements with such Ad-
8 ministrator as the Secretary determines to be appro-
9 priate to provide for the administration of such pro-
10 grams, or any aspect of such programs, by the Ad-
11 ministrator.

12 (f) SUNSET.—No new loan guarantee or interest rate
13 subsidy may be entered into under any program under this
14 section after the end of the 5-year period beginning on
15 the date of the enactment of this Act.

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